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RETAIL PRICES AND BASIC WAGE RATES - JUNE QUARTER, 1965

CONSUMER PRICE INDEX

The Consumer Price Index measures quarterly, for each State Capital, the variations in prices of commodities and services as affecting a high proportion of the expenditure of wage-earner households. Commodities and services included in the index are food, clothing, drapery, home ownership, rent of privately owned and government owned houses, fuel, light, furniture, household appliances and supplies, fares, motoring, tobacco, cigarettes, beer, cinema, radio and television licences, newspapers, postal and telephone services, hairdressing, dry cleaning, and various other items.

The various commodities and services have been combined into groups, and group indexes are available for Food, Clothing and Drapery, Housing, Household Supplies and Equipment, and Miscellaneous.

The indexes measure price movements in each city individually. They do not provide a comparison of the retail price level in any city with the retail price level of any other city. The base of the index for each city and for the weighted average, six State Capitals, is year 1952-53 = 100.0. Group indexes also have separate bases for each group.

The Brisbane Consumer Price Index for June quarter, 1965, increased by 0.8 per cent from 134.6 to 135.7. The increase was slightly less than the rise of 0.9 per cent which was recorded for the previous quarter. The increase for the year ended June, 1965, was 4.2 per cent.

The Food Group, which increased by 1.6 per cent from 142.7 to 145.0, accounted for over half of the quarterly increase in the All Groups index. The rise in the Food Group was due mostly to higher meat prices, with ice cream, egg, milk, and potato prices also contributing to the increase.

There was an increase of 0.3 per cent, from 119.7 to 120.1, in the Clothing and Drapery Group index. Although there was a slight general upward movement for most sections within the group, especially drapery, men's clothing, and piece goods, there was a small overall decrease in the items included in the women's clothing section.

The Housing Group index increased by 0.6 per cent from 149.5 to 150.4. Increases were recorded for both the ownership and rental sections of this group.

An increase of 0.4 per cent was recorded for the Household Supplies and Equipment Group, the index rising from 112.7 to 113.1.

There was an increase of 0.5 per cent in the Miscellaneous Group index, with the index rising from 141.7 to 142.4. Higher prices for motor car repair (mechanics' labour) were mainly responsible for the increase in this group, with smoking (cigarette papers) and picture theatre admission prices increasing slightly.

The Consumer Price Index increased in all State Capitals from the March quarter, 1965, to the June quarter, 1965. Percentage variations were as follows:- Melbourne, +1.1; Perth, +1.0; Sydney and Hobart, +0.9; and Brisbane and Adelaide, +0.8. The increase recorded for the weighted average of the six State Capitals was +0.9 per cent.

Since the base year, 1952-53, the rise in the retail price level has been greatest in Brisbane and smallest in Perth. Percentage increases from 1952-53 to June quarter, 1965, were as follows:- Brisbane, 35.7; Hobart, 35.2; Melbourne, 34.4; Sydney, 30.3; Adelaide, 29.9; and Perth, 29.3. The rise in the weighted average for the six State Capitals was 32.1 per cent. (It should be noted that these figures merely indicate rates of price rise in separate cities and do not represent in any way the relativities of actual price levels in the different cities.)

COMMONWEALTH AND STATE BASIC WAGE RATES

Commonwealth and State basic wage rates are reviewed by the appropriate Industrial Authorities from time to time. The last variation made by the Commonwealth Conciliation and Arbitration Commission was an addition of £1 to the male basic wage, with corresponding adjustments to the female and juvenile rates, and operated from 19th June, 1964. After the 1965 hearing by the Commission, a majority decision resulted in no alterations to basic wages.

The Queensland Industrial Conciliation and Arbitration Act of 1961 abolished automatic quarterly reviews of the State basic wage, but the Industrial Commission was empowered to vary the wage after a general hearing on the applications of interested parties. The latest of such variations was an increase of 3s. for males and 2s. 6d. for females from 29th March, 1965. On 1st April, 1965, the Commission stated that, as a matter of policy, in future it did not propose to deal with an application to vary the basic wage solely because of a change in the Consumer Price Index unless such change warrants an alteration of 4s. or more in the basic wage. Following the release of the June quarter index numbers, an application has been lodged by employees' organisations for an increase of 6s. in the adult male basic wage.

Basic Wage Rates - State Capital Cities

Capital City	Commonwealth Basic Wage			State Basic Wage		
	Males	Females	Date of Operation ^a	Males	Females	Date of Operation
	£ s. d.	£ s. d.		£ s. d.	£ s. d.	
Brisbane ..	14 10 0	10 17 6	19.6.64	15 9 0	11 12 0	29.3.65
Sydney ..	15 15 0	11 16 0	19.6.64	15 15 0	11 16 0	19.6.64a
Melbourne ..	15 7 0	11 10 0	19.6.64	15 7 0	11 10 0	June, 1964b
Adelaide ..	15 3 0	11 7 0	19.6.64	15 3 0	11 7 0	22.6.64a
Perth ..	15 8 0	11 11 0	19.6.64	15 17 10	11 18 5	26.7.65
Hobart ..	15 14 0	11 15 6	19.6.64	15 14 0	11 15 6	June, 1964b

a From the first pay period commencing on or after the date shown.

b Most Wages Boards adopted the Commonwealth rate during June, 1964.

S. E. SOLOMON
DEPUTY COMMONWEALTH STATISTICIAN
AND GOVERNMENT STATISTICIAN.

320-330 Adelaide Street,
BRISBANE

5th August, 1965.

Enquiries concerning these statistics may be made by telephoning
 Brisbane 33 5011, Extension 496

Table 1 - Consumer Price Index - Total and Group Indexes - Brisbane
(Year 1952-53 = 100.0)

Period	Food	Clothing and Drapery	Housing	Household Supplies and Equipment	Miscell- aneous	All Groups
Year -						
1955-56	107.7	102.2	110.5	102.6	108.0	106.3
1956-57	111.5	104.7	118.4	106.5	118.9	112.0
1957-58	113.0	107.8	123.9	108.3	120.5	114.4
1958-59	119.8	109.4	128.4	109.0	123.6	118.2
1959-60	124.2	111.9	132.6	110.6	125.6	121.2
1960-61	130.4	115.1	137.6	111.3	129.5	125.4
1961-62	130.8	116.7	140.5	113.0	133.3	127.3
1962-63	129.8	117.0	144.0	112.8	134.4	127.7
1963-64	133.1	117.8	145.2	111.7	135.2	129.0
1964-65	141.5	119.5	149.0	112.7	140.9	133.9
Quarter -						
1964 - June ..	136.1	118.4	145.4	112.3	135.3	130.2
September ..	138.0	118.8	147.2	112.3	138.6	131.9
December ..	140.3	119.2	148.7	112.8	140.7	133.4
1965 - March ..	142.7	119.7	149.5	112.7	141.7	134.6
June ..	145.0	120.1	150.4	113.1	142.4	135.7
Percentage Increase or Decrease (-) on Previous Quarter						
Quarter -						
1964 - June ..	1.9	0.6	0.1	0.5	-0.1	0.8
September ..	1.4	0.3	1.2	-	2.4	1.3
December ..	1.7	0.3	1.0	0.4	1.5	1.1
1965 - March ..	1.7	0.4	0.5	-0.1	0.7	0.9
June ..	1.6	0.3	0.6	0.4	0.5	0.8

Table 2 - Consumer Price Index - State Capital Cities
(Year 1952-53 = 100.0 for Each City and for Six State Capitals)

As the base for each city is 100.0, the indexes in the table below do not indicate relative price levels as between cities, but they may be used to compare relative price movements in the various cities.

Period	Sydney	Melbourne	Brisbane	Adelaide	Perth	Hobart	Weighted Average Six State Capitals
Year -							
1955-56	105.7	108.1	106.3	106.9	107.9	110.2	106.9
1956-57	112.9	114.0	112.0	111.1	112.9	116.9	113.1
1957-58	114.5	114.4	114.4	111.9	113.6	117.0	114.2
1958-59	115.3	116.6	118.2	114.5	114.7	118.7	116.0
1959-60	117.8	120.0	121.2	118.0	116.9	120.8	118.9
1960-61	122.1	125.9	125.4	122.9	121.2	127.5	123.8
1961-62	122.6	126.3	127.3	122.5	121.6	128.1	124.3
1962-63	123.2	126.2	127.7	122.1	122.2	128.0	124.5
1963-64	124.5	127.1	129.0	123.5	123.8	129.4	125.7
1964-65	128.8	132.2	133.9	128.6	127.6	133.6	130.4
Quarter -							
1964 - June ..	125.8	128.3	130.2	125.1	125.3	130.1	127.0
September ..	127.3	129.6	131.9	126.9	126.6	131.7	128.5
December ..	128.4	131.8	133.4	128.6	126.6	133.4	130.0
1965 - March ..	129.1	132.9	134.6	128.9	128.0	134.0	130.9
June ..	130.3	134.4	135.7	129.9	129.3	135.2	132.1